

public television station in Springfield, Massachusetts, affiliated with WGBH. I took my Bachelor's degree with honors from the Georgia Institute of Technology in 1971, and earned a Master's degree from the University of North Carolina at Chapel Hill in 1973.

4. In addition to my duties at WGBH, I have been a member of the Board of Directors of the PBS Sponsorship Group since 1998. The PBS Sponsorship Group is a national marketing collaborative that includes PBS and certain public television stations that are involved in producing public television programs for national distribution. The Sponsorship Group was formed in 1997 to centralize and organize the disparate efforts of the stations to attract and retain corporate underwriting of public television programming. By offering national underwriters a single point of contact, the Sponsorship Group was designed to cultivate and strengthen a stable base of financial underwriting for public television programs.

5. For the reasons set forth below, it is my opinion that if cable systems do not carry of a broadcaster's multicast channels, the lack of carriage will cause serious financial harm to public broadcasters because national public broadcasting programmers will not be able to obtain necessary underwriting revenues.

6. Multicast channels that are not carried by cable operators will be far less likely to attract corporate underwriting support than channels that are carried. This is principally due to the enhanced audience reach that is afforded by carriage on cable. Specifically, over-the-air channels that are not retransmitted on cable will reach only about 30% of available viewing households nationally.

7. Potential corporate underwriters are concerned with the size of the audience the programming can reach. The underwriters, therefore, are unlikely to invest in programming that is not widely available, such as programming that is not carried on cable. Nationally, multicast programming not carried on cable will not reach most of the 70% of the population that subscribes to cable. Distribution of programming to only about 30% of the potential viewers will make it impossible to raise sufficient support from corporate underwriters to produce national broadcasts.

8. Corporate underwriters generally attempt to allocate their marketing dollars across a range of sponsorship and other marketing opportunities in a way that maximizes the corporation's exposure to, and connection with, the viewing public. Accordingly, corporate underwriters generally will not consider sponsoring programming that is distributed on channels that reach only a limited audience. Underwriters of national programming will not support programs that are not available to at least 70% of the national audience. If multicast programming is not carried on cable, even if all local stations across the country carry the programming, it will effectively not reach even close to 70% of the national audience because the cable penetration rate is roughly 70%. Corporate underwriters will therefore not support national programming unless it is carried on cable. It would take the decision of only a few MSOs not to carry a multicast service in order to make it impossible to fund that service.

9. Finding corporate underwriting for public television is difficult under any circumstances, given the noncommercial standards we must abide by while operating in a very commercial marketplace. Moreover, the prolonged downturn in the U.S. economy has made this an exceedingly difficult time to secure underwriting. Given these constraints, attracting underwriting for programs not carried on cable, and therefore only capable of reaching roughly 30% of the national audience, would be impossible.

10. Multicast programming offers a unique opportunity to attract underwriting support despite the economic downturn and for the long term. Multicasting can support a wider variety of programming content that will appeal to a larger array of potential underwriters. Some corporate underwriters are more interested in supporting certain types of programming, such as health or science programming, and multicast offers an opportunity to attract these potential underwriters. Multicast programming may include, for example, 24-hour kids channels, educational channels devoted to instructional programming and adult education, or channels focused on local legislative and public interest issues. Other possible multicast channels include multicultural, foreign language, local arts and culture, early childhood development, K-12 instructional, college telecourses, and "how to" and "golden years" (aimed at seniors) channels. The variety of multicast programming targeted at niche audiences would be instrumental in opening doors to new sources of national underwriting because the programming could attract a wider variety of potential corporate sponsors. The potential sponsors, however, would only be interested if the programs were carried on cable. **As** national programmers, we need access to an expanded field of potential underwriters if we are to sustain our services.

11. If multicast programming is not carried on cable, stations will not be able to secure corporate underwriting or other programming investments for the multicast programming. There is a serious risk that multicast digital programming streams that are denied cable carriage will therefore not remain viable. This in turn would undercut the economic realities of public television generally. **A** lack of must carry rights would be particularly devastating **to** public television broadcasters, which generally have limited financial resources **and** rely upon widespread distribution to secure corporate underwriting and viewer contributions that are essential to their operation.

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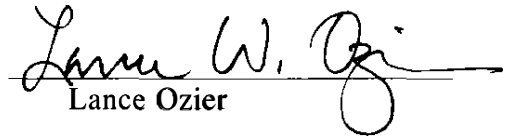
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I, Lance Ozier, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed: March 12, 2003

  
Lance Ozier

# **EXHIBIT B-3**

**FEDERAL COMMUNICATIONS COMMISSION**  
**Washington, D.C. 20554**

In the Matter of	)	
	)	
Carriage of Television Broadcast	)	
Signals	)	
	)	
Amendments to Part 76 of the Commission's	)	CS Docket No. 98- I20
Rules	)	
	)	

To:   The Commission

**DECLARATION OF THOMAS A. CONWAY**  
**ON BEHALF OF THE PUBLIC BROADCASTING SERVICE**  
**AND THE ASSOCIATION OF PUBLIC TELEVISION STATIONS**

1. My name is Thomas A. Conway. **As** set forth more specifically below, I have worked for public television stations, and in public television more broadly, for nearly 17 years, and I have extensive experience in the area of public television program underwriting.

2. I have worked at Thirteen/WNET since March 1995, as Vice President, Finance and Chief Financial Officer. In this capacity, I am responsible for the overall financial management and control activities for Thirteen, including budgeting, financial reporting, treasury, production control and other financial and business planning functions. In addition, I am responsible for overseeing the company's underwriting activities, including the Corporate Support and Foundation and Government Underwriting departments. The purpose of these departments is to raise funding for programs that we produce and broadcast locally and distribute nationally through the Public Broadcasting Service ("PBS"). I previously worked for Thirteen/WNET in various financial management positions -- from 1972 to 1981.

3. I received a BA degree from Fordham College in 1964 and an MBA from Columbia University in 1966.

4. I am a member of the Board of the PBS Sponsorship Group. The PBS Sponsorship Group is a national marketing collaborative that includes PBS and certain public television stations that are involved in producing public television programs for national distribution. The Sponsorship Group was formed in 1997 to centralize and organize the disparate efforts of the stations to attract and retain corporate underwriting of public television programming. By offering national underwriters a single point of contact, the Sponsorship Group was designed to cultivate and strengthen a stable base of financial underwriting for public television programs.

5. WNET and other public television stations have devoted substantial resources to converting their broadcast facilities from analog to digital and, at the same time, to creating and planning a wide range of digital program service offerings for their viewers. WNET, for example, went on the air in digital on July 11, 2001 at the World Trade Center. The loss of those facilities delayed our implementation of digital services but we have continued the hard work and investment necessary to launch these services. WNET intends to use its digital spectrum to provide multicast programming services during at least some portion of the day. WNET already provides one channel of multicast programming for children at the same time that it transmits its high definition program schedule. Neither service includes local programming as yet because of the World Trade Center catastrophe.

6. WNET expects that future multicast channels may include multicultural, foreign language, local arts and culture, early childhood development, K-12 instructional, college telecourses, and "how to" and "golden years" (aimed at seniors) channels. Indeed, WNET and the other New York State public television stations have pledged to dedicate one multicast channel to an "Empire Channel" supporting, statewide, the State's educational goals, ranging from teacher training to vocational instruction, to public affairs programming. By enabling public broadcasters to transmit multiple channels of programming simultaneously, digital television makes it possible for public broadcasters to expand their public service work by offering multiple services that address a greater diversity of community needs.

7. For the reasons set forth below, it is my opinion that any failure to require cable operators to carry all of a broadcaster's multicast channels will cause serious financial harm to public broadcasters, principally in the form of lost revenues from corporations, individuals, and foundations.

8. Corporate and foundation underwriting are extremely important to stations such as WNET. They account for 33% of WNET's total operating budget. Corporate support for the national programming that WNET produces, such as GREAT PERFORMANCES, NATURE, AMERICAN MASTERS, RELIGION & ETHICS NEWSWEEKLY, EGG the arts show, WIDE ANGLE and CYBERCHASE, represents 20% of our total operating budget. Those programs are also supported by foundation, government agency, CPB and individual donor underwriting and other miscellaneous revenues, e.g. co-production partners and pre-sale of foreign and home-video rights. The percentage from each funding source varies from program to program. The same sources, except for CPB, fund WNET's local programs. As a general matter, national underwriting is sought while a program is in development; local production is usually commenced even before the search for underwriting starts. Underwriting funds (as opposed to contributions of general operating and most endowment funds) are directed to specific programs, series or genres of programs. Since WNET operates generally on a break-even basis, it is apparent that the loss or diminution of corporate underwriting would be devastating and that is what would likely happen if there were not cable carriage of public television's multicast services.

9. If the multicast programming is not carried on cable, it will not reach the 80% of our market that subscribes to cable. Distribution of programming to just over 12% of viewers in a market (the remaining viewers being served by satellite) will make it impossible to raise sufficient support from corporate underwriters to produce and distribute such programming.

This would always have been true, but it is even more true today. Whereas we used to raise money from corporate foundations, we are now much more likely to seek funds from corporate marketing departments. **As** a result, corporate underwriters have become increasingly interested in the number and demographic profile of viewers for the shows they may underwrite. Indeed, foundations are also interested in the public impact of the programs they support. It is inevitable that if a public television station has only one distribution channel, at a time when the number of channel choices is greatly expanding, it will experience audience loss that will translate into reduced corporate and foundation support.

10. More funding will be required to provide multiple program services, even if the multicast programming offered has lower production values than today's programming. In seeking corporate funding, in particular, when audiences for any individual program service will be shrinking, and each service is likely to become more specialized, a producer needs to be able to demonstrate to corporations the benefits of association with its programming. The audience that corporations wish to reach is generally broad and diverse. **As** I stated above, foundations also seek to assure that use of their charitable donations is of service to as many people as possible.

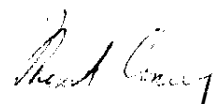
11. **As** in their corporate advertising campaigns, corporate underwriters are interested in supporting programming that reaches the multiple audiences that constitute their customer base or audiences that the underwriters wish to perceive them as good corporate citizens. That goal can rarely be achieved by support of a single program, series or genre of programming. Corporate underwriters generally attempt to allocate their marketing dollars across a range of sponsorship and other marketing opportunities in a way that maximizes the corporation's exposure to and connection with the viewing public. Underwriting public television programs is one element of a marketing plan, especially for corporations interested in their institutional reputations. High quality public television multicast programming would allow WNET, and other public television stations, to offer underwriting opportunities that could permit corporate sponsors to reach a diverse group of viewers drawn to different niche programming. In the digital media market, I believe that we will need to be able to provide existing and new underwriters with these kinds of opportunities to sustain or build support for public television services.

12. There is a serious risk that multicast digital programming that is denied cable carriage will deteriorate to a substantial degree or fail altogether. Moreover, there is a serious risk that the inability to produce and distribute multicast digital programming will substantially reduce the underwriting opportunities available to public television stations. These underwriting opportunities are critically important for the financial viability of public television stations and the public television system as a whole.

\* \* \* \*

I, Thomas **A.** Conway, declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Executed: March 11, 2003

A handwritten signature in cursive script, appearing to read "Thomas A. Conway", written in black ink.

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Thomas **A'** onway



# **EXHIBIT B-4**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Carriage of Digital Television Broadcast	)	
Signals	)	
	)	
Amendments to Part 76 of the Commission's	)	CS Docket No. 98-120
Rules	)	
	)	

To: The Commission

**DECLARATION OF TED A. GARCIA. KNME**

1. My name is Ted **A.** Garcia, General Manager and Chief Executive Office of KNME-TV and KNME-DT in Albuquerque, New Mexico. KNME is licensed to the Regents of the University of New Mexico and Albuquerque Public Schools. KNME provides a regional service, covering approximately 1.7 million people in Albuquerque, Santa Fe and all of northern and central New Mexico as well as the Navajo Nation in western New Mexico and Eastern Arizona. KNME is the public television station of choice for the Navajo Nation
  
2. Presently KNME-DT is broadcasting a high definition feed from PBS. Our station's digital future, however, is premised on broadcasting a number of standard definition multicast programming streams during the day while continuing to broadcast high definition programming during prime time. We have determined that this strategy is necessary for the viability of KNME's future in the digital age.
  
3. Early in the transition, KNME plans on multicasting a PBS Kids feed and Ready to Learn service; the PBS You feed, adult education, and college credit telecourses; a

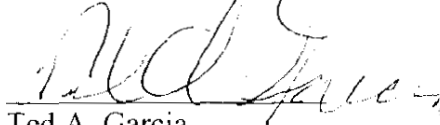
New Mexico Channel featuring gavel-lo-gavel coverage of the state legislature and other public affairs programming; and a workforce development channel.

4. As the DTV rollout progresses, KNME will introduce more multicasting services, including: an adult learning service featuring professional development opportunities for K-12 teachers and vocational training for others; GED-on-TV; a New Mexico "University of the Air," including distance education programs and college credit telecourses; a community service channel; a business channel; a medical/healthcare service; and possibly a pledge-free subscription channel.
5. KNME serves a large and diverse geographic area and population. We are unable to meet completely the interests and needs of all our potential viewers with one programming channel. We therefore designed our aggressive multicast strategy to meet the needs of our viewership -- both current and prospective viewers -- through targeted multicast streams. There is significant interest in New Mexico in our planned multicast programming. The plan we have developed for our digital future will increase our viewership and membership, and raise the relevance of KNME and public broadcasting in the state. This, in turn, will increase funding from individuals, the state and local governments, and corporate underwriters.
6. Without cable carriage for our multicast streams, however, we will not be able to raise the resources needed to offer original multicast programming. Cable carriage of all our multicast program streams is essential to attract viewers and, consequently, funding. If we cannot implement our multicast plan, we face the serious prospect of not only failing to adequately meet the needs of our community and increase our

viewership, but losing current public television viewers to cable programming services.

7. The total cost to bring these enhanced digital services to all New Mexico residents is estimated at \$30 million: \$15.4 million for transmission, towers and master control; \$8.7 million for 50 translators and an interconnection between the three stations; and approximately \$5.5 million for production equipment. KNME's portion of those conversion costs is estimated at \$12.7 million. Our portion of the conversion to digital transmission alone is expected to be \$4.76 million.
8. KNME, together with KRWG-TV (Las Cruces) and KENW-TV (Portales) jointly applied to the Department of Commerce Public Telecommunications Facilities Program (PTFP) and to the State of New Mexico for grants to convert all three New Mexico public television stations (including 50 translators) to digital operations. The case was presented in terms of the diverse interests and needs that could be served by the digital multicast technology. In October of 2000, the three stations received a grant from PTFP for \$1.2 million for the first year with an estimated total of \$8.2 million to be received over four years, contingent upon state funding. In November of 2000, the citizens of New Mexico passed a \$7.2 million General Obligation Bond that secured the funding needed to match the PTFP grant.
9. The government of New Mexico expressed its support of the proposed digital services by approving the General Obligation Bond offering to provide state funds towards the construction of our digital facilities. The citizens of New Mexico expressed their overwhelming support by voting to approve the General Obligation Bonds in the Fall

2000 election. Our mandate from the government and the citizens of New Mexico is clear: Implement the plan for digital services to the full capability of the technology to meet the diverse interests and critical needs of the citizens of **New Mexico**.

  
\_\_\_\_\_  
Ted A. Garcia

\_\_\_\_\_  
March 4, 2003

# **EXHIBIT B-5**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Carriage of Digital Television Broadcast	)	
Signals	)	
	)	
Amendments to Part 76 of the Commission's	)	CS Docket No. 98-120
Rules	)	
	)	

To: The Commission

**DECLARATION OF ROBERT SHUMAN, MARYLAND PUBLIC TELEVISION**

1. My name is Robert Shuman, President and Chief Executive Officer of Maryland Public Television (MPT). MPT, an agency of the State of Maryland, is a state network that broadcasts statewide through six television stations licensed to it.
  
2. MPT, with the active participation of its governing board, has determined that providing a range of multicast services to the diverse audiences throughout Maryland is a necessary strategy to assure the future viability and strength of MPT, as well as to provide enhanced service to the public **we** serve
  
3. It is estimated that MPT's conversion to digital will cost \$40 million. To justify this level of funding, we presented our proposed multicast plans to the Maryland legislature. The legislature has expressed its support of these multicast services by providing to date approximately \$35,000,000 in funding for digital conversion, in addition to the approximately \$800,000 committed to date by the federal government. Of this \$40 million, several million dollars have already been spent for multicasting capability

4. Like many other public television stations, in addition to a digital simulcast of our analog channel, MPT plans on broadcasting high definition digital programming during prime time while providing a multicast standard definition service during the day. This standard definition service is currently planned to include dedicated children's, public affairs/lifelong learner and educational channels.
5. The planned dedicated children's channel is intended to provide a safe haven for children and their caregivers, as contrasted with the overly violent content that characterizes much of commercial children's television.
6. The planned dedicated public affairs/lifelong learner channel would include Maryland community programming subjects such as the State legislature, the environment, arts and culture, civic affairs and regional business, along with lifelong learner programming subjects such as cooking, crafts and home improvement.
7. In collaboration with multiple educational institutions, MPT plans to launch a dedicated education channel, providing a number of services to meet the learning needs of MPT's viewers. Potential partners include the University System of Maryland, the State Department of Education, the Maryland Higher Education Commission, the Information Technology Board, local school districts, and the State's community colleges. Among the services under active discussion or already in development are:
  - A College of the Air. In collaboration with community colleges across the state, MPT currently broadcasts two hours of college-level telecourses a night, serving 18,000 students annually. As it converts to digital, the network plans to expand its College of the Air -- dramatically increasing the number of telecourses it broadcasts and the students it helps to educate.



- Teacher Training. A dedicated educational channel would allow MPT to expand its Mathline service and to create additional subject-oriented training services. For example, in collaboration with Colleges of Education at Maryland colleges and universities, MPT would develop more professional development programs for in-service and pre-service teachers, allowing them to learn from master teachers across the state. Working with local school districts, MPT could videotape some of the state's best teachers in action, showcasing the most effective instructional practices to enhance the quality of instruction in classrooms across Maryland.
- GED/Adult Education. In collaboration with the Maryland State Department of Education, MPT has broadcast a series of programs offering adult students an opportunity to study for their GED. Using its digital multicast capabilities, MPT will be able to offer additional adult education courses focusing on basic literacy, basic mathematics and other similar offerings. Many of these courses are currently available through national educational distributors and others could be developed in collaboration with Maryland adult educators. These services would allow home-bound adults, correctional institution inmates and others unable to travel to adult education courses to further their basic educational skills.
- Electronic Fieldtrips. In collaboration with a variety of educational organizations, Maryland Public Television has developed a number of live interactive distance learning events that transport Maryland students to places across the state and across the country. The educational channel would regularly offer these programming opportunities to Maryland students.
- Workforce Training. Working with businesses and educational institutions, MPT could develop and offer workforce training. By providing this service, the network would contribute to Maryland's economic community.

8. The above plans were made with the expectation that, once the digital conversion was complete, all or nearly all of the citizens of Maryland would be able to view the multicast programming paid for in large part by their tax dollars. However, without mandatory carriage, there is the very real prospect that that will never happen.

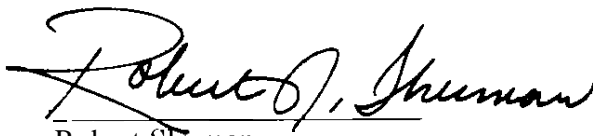
Y. At present, without carriage of the MPT multicast signal by cable, only the very small number of viewers who receive digital signals over the air would be able to view

MPT multicast programming, making it difficult to justify the expense of providing multiple channels. Further, once the digital conversion is complete, perhaps ten percent or so of Maryland residents will receive their signals over the air, again making it difficult to justify the expense of providing multicast programming without cable carriage.

10. It will simply not be possible on an ongoing basis to raise the funding necessary to pay for multicast programming if only a limited percentage of the State's population can view it, therefore depriving the public of access to content-rich educational programming. As a state network paid for by all of the taxpayers of this State, we believe that there should be statewide access to our entire digital signal, which can only be assured by requiring mandatory carriage.

11. The significant increase in recent years in the number and diversity of programming sources available to the public has resulted in a splintering of television viewers into niche audiences. Many of the new cable program services attract audiences that were traditionally viewers of public television. We need an updated strategy to keep up with the changing marketplace; multicasting provides this opportunity. It gives the chance to provide new services and attract new viewers and thereby new or enhanced support from members, foundations, underwriters, and the State legislature. Through a rich and diverse multicast programming strategy, MPT will be able to compete in an increasingly multi-channel environment. MPT's multicast strategy will therefore serve the interests of its existing viewers (both MPT's 65,000 members and its host of other viewers) plus many new viewers in a manner that broadcasting only in HDTV would not.

12. Absent a successful multicast programming strategy, MPT is facing the prospect of a multi-channel digital world further splintering audiences and siphoning off viewers away from the educational programming historically provided by public television.
13. Without carriage, I will not be able to attract the funds and resources needed to continue offering multicast services. Cable carriage of our multicast program streams is essential to the full development and sustenance of these services. Carriage is necessary to raise underwriting support and to attract their financial support for these program streams. If we have to abandon or severely reduce our multicast strategy because of the lack of cable carriage, we will lose viewers, members, and funding necessary to the future viability of MPT. We will also lose the opportunity to strengthen the service and economic support of Maryland Public Television that multicasting would provide.
14. Multicast programming is an essential part of MPT's digital strategy. To remain viable in the digital world, we need to reach new audiences through expanded, targeted multicast programming. Given the current economic challenges we face, this strategy, which will strengthen MPT's economic support, is a necessary part of MPT's future.

  
Robert Shuman

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March 4, 2003

# **EXHIBIT B-6**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Carriage of Digital Television Broadcast	)	
Signals	)	
	)	
Amendments to Part 76 of the Commission's	)	CS Docket No. 98-120
Rules	)	
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Io      The Commission

**DECLARATION OF ELIZABETH CHRISTOPHERSON,  
NEW JERSEY NETWORK**

1. My name is Elizabeth Christopherson. I am the Executive Director and Chief Operating Officer of New Jersey Network (NJN). Governed by the New Jersey Public Broadcasting Authority, NJN operates a state-wide integrated system of four public television stations, including: WNJT-TV-DT (Trenton); WNJN-TV-DT (Montclair); WNJS-TV (Camden); and WNJB-TV (New Brunswick).
  
2. NJN plans to use its digital facilities to broadcast high definition digital programming during prime time while providing a multicast standard definition service during the day. The provision of a range of multicast programming is a necessary part of the future viability of NJN's public television stations. NJN's governing board and the state legislature have expressed their support for NJN's digital plans based, in part, on NJN's proposed multicast service as *an* integral part of those plans. This multicast programming will not only provide enhanced and distinct service to the people of New Jersey and the region, but it will also

help generate revenue to support other NJN programs and services and position NJN to compete in a marketplace expanding with specific cable program services.

3. New Jersey is one of the most densely populated and ethnically and culturally diverse states in the nation, yet it does not even have its own **DMA**, and its citizens are markedly underserved by local media outlets. For this reason, it must be stressed that, as New Jersey's only statewide broadcast network, whose sole mission is to serve the people of the Garden State, NJN provides a unique and distinct voice for New Jersey. No other media outlet has either the interest or ability to provide this cardinal service, and multicast programming is critical to NJN's ability to serve these diverse and underserved populations.
4. For instance, New Jersey residents are hungry for programs that address local news and public affairs issues. NJN has an enormous amount of content that could be broadcast on a "Civic Channel," providing viewers with even greater access to news and public affairs programming focused on New Jersey. NJN has recently been approached by the New Jersey Department of Law and Public Safety to broadcast arguments before the New Jersey Supreme Court. NJN also is working closely with the Department of Law and Public Safety to develop a network of emergency communications as part of the State's domestic security preparedness plan. Clearly there is a demand for such "localized" broadcasting. Launching a successful Civic Channel as part of its digital programming and having it carried on a cable system would well serve the public interest in broad dissemination of important news and information to New Jersey residents. NJN

also could attract new viewers with such a service, thereby improving its ability to raise funds through corporate underwriting and increased membership.

5. Similarly, NJN is committed to addressing the serious issue of illiteracy among New Jersey children and adults. NJN has teamed with key partners like the New Jersey Department of Education to advance the Department's literacy goals for its Reading First initiative and to provide more professional development opportunities for New Jersey teachers. NJN currently has severely limited space on its analog broadcast schedule; multicasting would give NJN the necessary flexibility to air programs designed for teachers on its Ready to Learn education channel. In short, multicasting would give NJN more opportunities to reach many more people over the air and expand access to learning opportunities.
6. As television markets become increasingly fragmented, NJN's mixed *multicast/HDTV* strategy is designed to serve viewers and members interested in NJN's particular programming. NJN cannot adequately serve these individuals with a single channel of programming that simply cannot meet the diverse needs and interests of a multiplicity of viewers. There is a definite demand in the market for diverse types of programming. Both to fulfill our public service mission to serve the underserved, and also to compete adequately in the digital marketplace require a robust multicast programming strategy in conjunction with broad dissemination of that programming.

7. NJN is currently considering a variety of programming streams that will enable NJN to strengthen its public service and gain financial strength. Examples include:

- The Ready to Earn Channel, designed to enhance workforce development in New Jersey through workforce training programs and college credit telecourses.
- The Ready to Learn Channel, featuring college credit telecourses, K-12 instructional television, adult education opportunities, the Ready to Learn service and other lifelong learning programming. This channel would also present educational forums, academic competition, teacher news and information, lectures and other types of school information. programming could be enhanced with downloadable material broadcast over the air or streamed as video content over the Web.
- The Cultural and Entertainment Channel, serving as the showcase for New Jersey's local artists, playwrights, and filmmakers, where their projects would be developed and featured. The Cultural and Entertainment Channel could also assist New Jersey educators with the arts education mandate by providing arts and cultural materials for students.

NJN already has harnessed the flexibility and power of digital broadcasting to address workplace literacy and to enhance education in New Jersey schools. For instance:

- Through its Workplace Literacy Program, NJN is addressing New Jersey's adult literacy problem through a groundbreaking partnership with the New Jersey Department of Labor and other state agencies and community-based organizations. NJN currently uses a variety of technologies, including its digital television signal, to deliver workforce training materials to welfare recipients, dislocated workers and other job seekers at 19 sites across the state, with more sites scheduled to begin operation in the months ahead. NJN's first digital series, called *JOBCAST*, is broadcast on NJN's digital channel.

NJN is now expanding this initiative to adopt in after-school programs for teenagers, with private sector support,

- NJN also is using its digital television channel to broaden access to technology-mediated education for children in New Jersey's urban schools. NJN has produced original video content, which it datacasts to a media server located in Columbus Elementary School in Trenton, the pilot site. The server



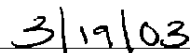
supplies "on-demand" course supplements to the students and teachers, with teachers accessing NJN's customized video segments during class to enhance the content in the lesson plan.

8. The State of New Jersey has invested in NJN's digital conversion based on NJN's overall plans for digital services and our proposed multicast plans. The State has allocated over \$16 million as part of a multi-year digital conversion plan. NJN also has earned more than \$ 1.4million in federal grants to assist with the construction of four digital transmitters and interconnect system
9. It is important to emphasize that more than 70 percent of all New Jersey television households receive NJN on a cable system. If multicast programming is not carried on cable, NJN clearly will be unable to fulfill its mission to reach and serve all the people of New Jersey. nor will it be able to raise the funding from underwriters, foundations and individuals needed either to continue offering existing multicast programming services or to develop new multicast programming. Cable carriage of NJN's multicast program streams is absolutely critical to its multicast strategy and to its public service mission to serve the people of New Jersey.
10. Although NJN has an agreement with Time Warner Cable to carry the full multicast programming of some of our stations located in communities served by Time-Warner Cable during the transition to digital television, this agreement is no substitute for FCC rules that mandate full carriage of all free, over-the-air digital broadcast programming streams. The agreement only covers the digital transitional period, and we cannot guarantee underwriters that the multicast programming will continue to be carried after the transition. In addition, NJN's

viewers are primarily served by Comcast and Cablevision systems. There is no agreement with these systems regarding carriage of multicast programming of broadcasters such as NJN.

11. In sum, NJN's multicast strategy is central to its operating strategy as it moves into the digital age. NJN, like public television stations overall, is convinced that it must expand its service offerings to serve diverse audiences, which in turn will strengthen member, underwriting, foundation and local/state government support. A mix of HDTV and multicast services fully distributed by broadcast and cable is the only way to achieve this goal – especially at this time when, like many in public broadcasting, we face severe economic challenges. In particular, in light of today's realities of cable penetration, full cable carriage of NJN's multiple program streams is essential to achieving NJN's goals.

  
Elizabeth G. Christopherson

  
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